



Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Notice, request for comment.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) invites comment on a proposal to extend for three years, with revision, the Payment Systems Surveys (OMB No. 7100-0332).

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by FR 3054, by any of the following methods:

- Agency Website: <https://www.federalreserve.gov/>. Follow the instructions for submitting comments at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- E-mail: regs.comments@federalreserve.gov. Include the OMB number or FR number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Federal Reserve Board of Governors, Attn: Ann E. Misback, Secretary of the Board, Mailstop M-4775, 2001 C St NW, Washington, DC 20551.

All public comments are available from the Board's website at <https://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons or to remove personally identifiable information at the commenter's request. Accordingly, comments will not be edited to remove any confidential business information, identifying information, or contact information. Public comments may also be viewed electronically or in paper in Room M-4365A, 2001 C St NW, Washington, DC 20551, between 9:00 a.m. and 5:00 p.m. on weekdays. For security reasons, the Board requires that visitors make an appointment to inspect comments. You may do so by calling (202) 452-3684. Upon arrival,

visitors will be required to present valid government-issued photo identification and to submit to security screening in order to inspect and photocopy comments.

Additionally, commenters may send a copy of their comments to the Office of Management and Budget (OMB) Desk Officer for the Federal Reserve Board, Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503, or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, nuha.elmaghrabi@frb.gov, (202) 452-3884.

SUPPLEMENTARY INFORMATION: On June 15, 1984, OMB delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve and assign OMB control numbers to collections of information conducted or sponsored by the Board. In exercising this delegated authority, the Board is directed to take every reasonable step to solicit comment. In determining whether to approve a collection of information, the Board will consider all comments received from the public and other agencies.

During the comment period for this proposal, a copy of the proposed PRA OMB submission, including the draft reporting form and instructions, supporting statement, and other documentation, will be made available on the Board's public website at <https://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears above. Final versions of these documents will be made available at <https://www.reginfo.gov/public/do/PRAMain>, if approved.

Request for Comment on Information Collection Proposal

The Board invites public comment on the following information collection, which is being reviewed under authority delegated by the OMB under the PRA. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Board's functions, including whether the information has practical utility;
- b. The accuracy of the Board's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and
- e. Estimates of capital or startup costs and costs of operation, maintenance, and purchase of services to provide information.

At the end of the comment period, the comments and recommendations received will be analyzed to determine the extent to which the Board should modify the proposal.

Proposal under OMB Delegated Authority to Extend for Three Years, With Revision, the Following Information Collection:

Collection title: Payment Systems Surveys.

Collection identifier: FR 3054.

OMB control number: 7100-0332.

Frequency: FR 3054a, five times per year; FR 3054b, annually; FR 3054c, semi-annually; FR 3054d, five times per year; and FR 3054e, ten times per year.

Respondents: The FR 3054 panel comprises financial institutions (including depository institutions), law enforcement, nonfinancial businesses (retailers, banknote equipment manufacturers, or global wholesale bank note dealers), and individuals within the general public.

Estimated number of respondents: FR 3054a, 4,000; FR 3054b, 500; FR 3054c, 25; FR 3054d, 250; and FR 3054e, 250.

Estimated average hours per response: FR 3054a, 0.75; FR 3054b, 0.50; FR 3054c, 30; FR 3054d, 2.5; and FR 3054e, 0.50.

Estimated annual burden hours: FR 3054a, 15,000; FR 3054b, 250; FR 3054c, 1,500; FR 3054d, 3,125; and FR 3054e, 1,250.

General description of collection: The Payment Systems Surveys are used to obtain information specifically tailored to the Federal Reserve’s operational and fiscal agency responsibilities. The Payment Systems Surveys family of surveys is currently comprised of the following: Ad Hoc Payment Systems Surveys (FR 3054a), Currency Quality Sampling Survey (FR 3054b), Currency Quality Survey (FR 3054c), Currency Functionality and Perception Survey (FR 3054d), and Currency Education Usability Survey (FR 3045e).

Proposed revisions: The Board proposes to increase the estimated respondents for the FR 3054b from 300 to 500, increase the estimated frequency for the FR 3054d from four times a year to five times a year, and increase the estimated frequency from five times a year to ten times a year and decrease the estimated number of respondents from 500 to 250 for the FR 3054e. The increase in the frequency of surveys allows the Federal Reserve System flexibility to respond to diverse needs for data by surveying groups of respondents multiple times throughout a year. Increasing the number of estimated respondents of the FR 3054b will help ensure statistical significance of the sample pool and decreasing the estimated number of respondents while increasing the frequency of the FR 3054e will facilitate more survey agility. Additionally, the FR 3054c has not changed since 2018 and no changes are anticipated during the current clearance cycle. The FR 3054c is therefore being transitioned from an ad hoc to an established collection.

Legal authorization and confidentiality: Section 11(d)¹ of the Federal Reserve Act (“FRA”) authorizes the Board to “supervise and regulate through the Secretary of the Treasury the issue and retirement of Federal reserve notes, except for the cancellation and destruction, and accounting with respect to such cancellation and destruction, of notes unfit for circulation, and to prescribe rules and regulations under which such notes may be delivered by the Secretary of the

¹ 12 U.S.C. 248(d).

Treasury to the Federal reserve agents applying therefor.” Section 11A² of the FRA requires the Board to put into effect a schedule of fees for Federal Reserve bank services to depository institutions based on specified principles, including that such fees be based on the direct and indirect costs actually incurred in providing these services. Section 13³ of the FRA authorizes, among other things, Federal Reserve Banks to provide a variety of payments services. Section 16⁴ of the FRA authorizes the Board to take a variety of actions related to the issuance and management of Federal Reserve notes. The information obtained from the FR 3054 may be used in support of the Board’s role in overseeing the Federal Reserve Banks’ provision of financial services to depository institutions; developing policies and regulations to foster the efficiency and integrity of the U.S. payment system; working with other central banks and international organizations to improve the payment system more broadly; conducting research on payments issues; and working with other federal agencies on currency design, quality issues, and to educate the global public on the security features of Federal Reserve notes. Therefore, the FR 3054 is authorized pursuant to the Board’s authority under Sections 11(d), 11A, 13, and 16 of the FRA. The FR 3054 is voluntary.

The questions asked on each survey would vary, so the ability of the Board to maintain the confidentiality of information collected would be determined on a case-by-case basis. To the extent a respondent submits nonpublic commercial or financial information, which is both customarily and actually treated as private by the respondent, the respondent may request confidential treatment pursuant to exemption 4 of the Freedom of Information Act (FOIA).⁵ In circumstances where the Board collects information related to individuals, exemption 6 to the FOIA would protect information “the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.”⁶ To the extent the information collected relates to examination,

² 12 U.S.C. 248a.

³ 12 U.S.C. 342.

⁴ 12 U.S.C. 411, 412, 413, 414, 415, 416, 417, 420, 422.

⁵ 5 U.S.C. 552(b)(4).

⁶ 5 U.S.C. 552(b)(6).

operating, or condition reports prepared for the use of an agency supervising financial institutions, such information may be kept confidential under exemption 8 to the FOIA.

Consultation outside the agency: The Board may consult with, collaborate with, or jointly conduct surveys with other agencies within the U.S. Currency Program to include the System banks, the United States Secret Service, Department of Treasury, and Treasury's Bureau of Engraving and Printing.

Board of Governors of the Federal Reserve System, September 8, 2022.

Michele Taylor Fennell,

Deputy Associate Secretary of the Board.

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